OLR Bill Analysis sSB 970

AN ACT CONCERNING CANNABINOIDS, HEMP AND HEMP PRODUCTS.

SUMMARY

This bill makes various changes to the hemp laws. Primarily, it does the following:

- 1. deregulates high-THC hemp products by declassifying them as marijuana or cannabis, as a result removing them from the various licensing and regulatory requirements for those items (e.g., that they must be sold only by licensed establishments, tested, and sold only to those age 21 or older except under the medical marijuana program);
- 2. defines "naturally manufactured hemp cannabinoids" and requires manufacturer hemp products to be made from them;
- modifies various definitions, including "cannabis," "marijuana," and "synthetic cannabinoids";
- 4. limits unlicensed manufactured hemp product sales to low-THC hemp products; and
- 5. allows dispensaries and certain cannabis establishments to market or store naturally manufactured hemp cannabinoids and high-THC hemp products.

The bill also makes various minor, technical, and conforming changes.

EFFECTIVE DATE: July 1, 2025

§§ 1 & 5 — DEFINITIONS

Cannabis and Marijuana (§ 1)

Under existing law, the term "cannabis" has the same meaning as "marijuana" (CGS § 21a-420). The bill narrows the statutory definition of "marijuana" and "cannabis" by removing from the definition (1) high-THC hemp products; (2) manufactured cannabinoids; (3) cannabinon, cannabinol, cannabidiol (CBD), and similar compounds, except CBD derived from hemp.

Under current law, marijuana and cannabis do not include, among other things, hemp with a total THC concentration of up to 0.3% on a dry-weight basis that is not a high-THC product. The bill instead excludes from the definition hemp and manufacturer hemp products (i.e. those intended for human ingestion, inhalation, absorption, or other internal consumption with a THC concentration of up to 0.3% on a dry weight basis).

The bill also excludes from the marijuana and cannabis definition, naturally manufactured hemp cannabinoids (see below), including moderate-THC hemp products and high-THC hemp products grown or manufactured by a hemp manufacturer licensee.

By law and under the bill, a "high-THC hemp product" is a manufacturer hemp product that has, or is advertised, labeled, or offered for sale as having, total THC that exceeds (1) one milligram per serving with up to five milligrams per-container or 0.3% on a dry-weight basis for cannabis flower or cannabis trim and (2) is not a THC-infused beverage.

Manufactured Cannabinoids and Naturally Manufactured Hemp Cannabinoids (§§ 1 & 5)

The bill replaces the term "manufactured cannabinoids" with "naturally manufactured hemp cannabinoids," which it defines as naturally occurring cannabinoids derived from hemp, including CBD, cannabigerol (CBG), cannabigerovarin (CBGV), cannabinol (CBN), cannabichromene (CBC), cannabimovone (CBM), cannabicyclol (CBL), cannabidivarin (CBDV), THC, tetrahydrocannabivarin (THCV), and these cannabinoids' acidic forms, manufactured by (1) decarboxylation of naturally occurring acidic forms of cannabinoids using heat; (2) solvent-based extraction methods, including ethanol and carbon dioxide supercritical extraction; (3) solventless extraction methods, including using ice water, rosin pressing, dry sifting, and steam distillation; or (4) lipid infusion extraction using carrier oils to extract cannabinoids through heat and infusion, whether in the form of an extract or a manufacturer hemp product manufactured by a licensed hemp individual or entity.

Synthetic Cannabinoid (§ 1)

By law, synthetic cannabinoids are classified as a schedule I controlled substance (i.e. a drug with no current accepted medical use and a high potential for abuse) and cannabis establishments are prohibited from selling them (CGS §§ 21a-243 & 21a-421aa(f)).

The bill redefines "synthetic cannabinoid" by specifying the types of processes used to create them and eliminating the requirements that they have specific structural features and produce any physiological or psychotropic response on at least one cannabinoid specific receptor.

Specifically, the bill defines "synthetic cannabinoid" as any cannabinoid produced through chemical synthesis, conversion, or isomerization of another cannabinoid or created without direct extraction, including delta-8-THC, THC-O-acetate, and hexahydrocannabinol (HHC) when produced by chemical conversion of CBD or other cannabinoid and fully synthetic compounds that do not exist naturally in the hemp plant. It does not include any naturally manufactured hemp cannabinoid, any producer hemp product, or any manufacturer hemp product manufactured by a licensed hemp individual or entity.

Under current law, "synthetic cannabinoid" is any substance converted by a chemical process to create a cannabinoid or cannabinoidlike substance that has (1) structural features that allow interaction with at least one of the known cannabinoid-specific receptors and (2) any physiological or psychotropic response on at least one cannabinoid specific receptor. It includes hexahydrocannabinol (HHC and HXC) and hydrox4phc (PHC) but does not include manufactured cannabinoids.

§§ 1-4 — HEMP PRODUCTS *Low-THC* (§§ 2 & 3)

Under current law, any person who sells manufacturer hemp products is not required to be licensed if, among other requirements, the person only engages in retail or wholesale sale of manufacturer hemp products where no further manufacturing occurs, as long as the manufacturer hemp products are acquired from a person authorized to manufacture them. The bill limits these sales to low-THC manufacturer hemp products (i.e. those that have up to half a milligram total THC per container).

As under existing law, the seller must acquire the manufacturer hemp products for the sole purpose of reselling them as authorized under federal and state law.

High-THC (§§ 1, 3 & 4)

The bill deregulates high-THC hemp products by declassifying them as marijuana or cannabis, as a result removing them from the various licensing and regulatory requirements for those items.

Out-of-State Sales. The bill allows high-THC hemp products to be sold outside of the state by a hemp producer or manufacturer licensee if they have a THC concentration of less than 0.3% on a dry-weight basis and comply with the federal Agricultural Improvement Act of 2018.

Wholesale Sales. The bill also allows high-THC hemp products and naturally manufactured hemp cannabinoids to be sold at wholesale by hemp manufacturers located in Connecticut directly to medical marijuana dispensaries and cannabis producers, cultivators, micro-cultivators, and product manufacturers licensed in the state.

It is unclear where or if high-THC hemp products may be sold at retail in the state under the bill. Current law treats them as cannabis and only allows them to be sold at retail at cannabis retailers and hybrid retailers. Additionally, the bill limits unlicensed sales to low-THC manufacturer hemp products (see above) and does not establish a license or registration for these sales, like the law has for moderate-THC (i.e. moderate-THC hemp product vendor registration).

Manufacturer Hemp Products (§§ 2-4)

The bill modifies the definition of "manufacturer hemp product" by limiting it to a commodity manufactured from hemp and intended for retail sale to consumers, and requiring it to be made with naturally manufactured hemp cannabinoids (see above) with a full safety test from an independent laboratory (see below). (The bill allows manufacturer hemp products to also be tested by the Connecticut Agricultural Experiment Station or a licensed hemp grower in another state (see below), but the definition here does not reflect those options.)

As under current law, it must be for human ingestion, inhalation, absorption, or other internal consumption and must have a THC concentration of not more than 0.3% on a dry-weight basis.

The bill eliminates from current law's definition that the hemp (1) is manufactured for commercial or research purposes and (2) has a THC concentration based on a per volume or weight basis.

Manufacture. The bill also modifies the definition of "manufacture" by expanding the acceptable products and purposes and specifying particular methods.

Under current law, "manufacture" means the conversion of the hemp plant into a by-product by adding heat, solvents, or any extraction method that modifies the plant's original composition to create a manufacture hemp product for commercial or research purposes.

The bill also includes in the definition the conversion of a hemp plant into an extract, and specifies the modification process must be done with one of the following:

1. decarboxylation of naturally occurring acidic forms of cannabinoids using heat;

- 2. solvent-based extraction methods, including ethanol and carbon dioxide supercritical extraction;
- 3. solventless extraction methods, including using ice water, rosin pressing, dry sifting, and steam distillation; or
- 4. lipid infusion extraction using carrier oils to extract cannabinoids through heat and infusion.

Additionally, for the last method, the bill modifies the allowable purposes, specifying that it must be for (1) creating a manufacturer hemp product for research purposes or (2) selling naturally manufactured hemp cannabinoids to any state-licensed dispensary facility or cannabis producer, cultivator, micro-cultivator, or product manufacturer.

Excessive THC Levels. The bill narrows the application of current law's requirements for hemp manufacturers with respect to disposing of cannabis when a product has excessive THC. It applies this to just manufacturer hemp products, rather than all hemp and hemp products. By law, "hemp products" are all manufacturer hemp and producer hemp products.

The bill also correspondingly requires the manufacturer of a manufacturer hemp product that exceeds the allowable THC concentration to embargo the product, label it adulterated, and have it destroyed. The manufacturer also must notify both the Department of Consumer Protection (DCP) and the Department of Agriculture in writing of the adulterated product.

Packaging or Advertisements. Current law prohibits manufacturer hemp products offered for sale in Connecticut, or to a Connecticut consumer, to be packaged, presented, or advertised in a way likely to mislead a consumer that the product (1) has a total THC concentration greater than 0.3% on a dry-weight basis, or (2) is a high-THC hemp product. The bill removes this restriction. (But by definition, a manufacturer hemp product cannot have a THC concentration of more than 0.3% on a dry weight basis.) **Product Labeling.** Existing law requires manufacturer hemp products that are a food, beverage, oil, or other product intended for human ingestion to have certain labels on the package. Current law requires a clear and conspicuous statement disclosing that children or those who are pregnant or breastfeeding should avoid using the product before consulting with a health care professional about the product's safety. The bill eliminates the requirement that the statement include reference to children.

Independent Testing Laboratory (§ 2)

The bill removes the requirement that an independent testing laboratory comply with state medical marijuana regulations on laboratory requirements. As under existing law, these laboratories must still be accredited as a testing laboratory under International Organization for Standardization (ISO) 17025 by a third-party accrediting body like the American Association for Laboratory Accreditation or the Assured Calibration and Laboratory Accreditation Select Services and meet the requirements under federal regulation for domestic hemp production (7 C.F.R. § 990.3).

Testing (§ 3)

The bill gives a manufacturer more testing options for hemp it intends to manufacture into a manufacturer hemp product. Under current law, a manufacturer must have the product tested by an independent testing laboratory in Connecticut. The bill instead allows the product to have passed a:

- preharvest compliance test done by the Connecticut Agricultural Experiment Station (CAES) or an equivalent test by a licensed hemp grower in another state or
- 2. full panel test done by an independent testing laboratory.

The bill generally extends current law's requirements for testing a batch of hemp to testing manufacturer hemp product. This includes requirements for (1) segregating the product while the hemp samples are being tested (e.g., keeping the product in a secure, cool, and dry

location); (2) retesting the product if the sample failed the microbiological, mycotoxin, heavy metal, or pesticide chemical testing; (3) remediating the product before it can be sold; and (4) disposing of it if not remediated.

The bill makes various minor, technical, and conforming changes to incorporate CAES and licensed hemp growers in another state into these processes. But it only requires CAES, and not licensed growers in another state, to:

- 1. dispose of the hemp or manufacturer hemp in a DCP-determined way,
- 2. file with DCP an electronic copy of each failed laboratory test,
- 3. send these results to the manufacturer who requested the test, and
- 4. keep the test results for three years and make them available to DCP upon request.

THC and CBD (§ 3)

Under current law, CBD that is (1) found in manufacturer hemp products is not considered a controlled substance or legend (i.e. prescription) drug and (2) derived from hemp and contained in manufacturer hemp products is not considered a controlled substance or adulterant. The bill substitutes THC for CBD in this provision, and also prohibits THC derived from hemp and contained in naturally manufactured hemp cannabinoids from being considered a controlled substance or adulterant.

§ 4 — CERTAIN CANNABIS ESTABLISHMENTS AND HEMP

Current law allows any producer, cultivator, micro-cultivator, and product manufacturer to manufacture, market, cultivate, or store hemp and hemp products following existing hemp laws and regulations.

The bill (1) limits these establishments to only marketing or storing hemp (i.e. they can no longer manufacture or cultivate hemp or hemp products); (2) allows them to also market or store naturally manufactured hemp cannabinoids and high-THC hemp products (rather than all hemp products) from a state-licensed hemp manufacturer or producer, regardless of total THC content; and (3) allows a dispensary to do these things as well.

The bill also requires a producer, cultivator, micro-cultivator, and product manufacturer to obtain hemp and hemp products only from someone authorized under Connecticut law to possess and sell them. Under current law, they may also obtain the hemp and hemp products from someone authorized under the laws of another U.S. state, territory, or possession or other sovereign entity. (The bill does not make a corresponding change to allow dispensaries to obtain hemp and hemp products, so it is unclear where they would obtain these products.)

Third-Party Tracking

The bill imposes current law's third-party tracking hemp requirements on manufacturer hemp products (presumably, including high-THC hemp products) and naturally manufactured hemp cannabinoids. Current law requires a cannabis producer, cultivator, micro-cultivator, or product manufacturer to track these products as a separate batch throughout the manufacturing process to document their disposition. The bill also applies this requirement to dispensaries. Under existing law, once a cannabis establishment receives the hemp or hemp product, the product is deemed cannabis. (The bill does not extend that requirement to dispensaries.)

Similar to current law, the bill requires these establishments, including a dispensary, to keep a copy of the certificate of analysis for a purchased manufacturer hemp product (presumably, including high-THC hemp products) and naturally manufactured hemp cannabinoids and the invoice and transport documents to evidence the quantity purchased and date received.

BACKGROUND

Related Bills

sHB 6855, favorably reported by the General Law Committee, allows

individuals or entities who are not a moderate-THC hemp product vendor or cannabis establishment to sell hemp flower under certain conditions (e.g., verify purchaser is at least age 21) and prohibits moderate-THC hemp products from claiming certain health benefits.

sHB 7178, favorably reported by the General Law Committee, also eliminates the requirement that the manufacturer hemp product disclosure include warnings directed at children.

HB 7181, favorably reported by the General Law Committee, makes it a class E felony for a cannabis establishment to sell synthetic cannabinoids to anyone (§ 15).

COMMITTEE ACTION

General Law Committee

Joint Favorable Yea 15 Nay 7 (03/24/2025)